

INFORMATION AND INSTRUCTIONS
APPLICATION FOR DELAWARE RETAIL MOTOR FUEL DEALER LICENSE

INSTRUCTIONS: Please carefully read this information. All questions must be answered and necessary additional documentation attached to process the license application. Please print all answers clearly.

Title 6 Delaware Code, Chapter 29, Section 2901 (8) defines a Delaware Retail Dealer as follows:

“(8) **"Retail Dealer"** shall mean and include any person operating a service station, filling station, store, garage or other place of business for the sale of motor fuel for delivery into the service tank or tanks of any vehicle propelled by an internal combustion engine.”

Title 6 Delaware Code, Chapter 29, Section 2901 (6) defines Motor Fuel as follows:

“(6) **"Motor Fuel"** shall mean and include any substance or combination of substances which is intended to be or is capable of being used for the purpose of propelling or running by combustion any internal combustion engine and sold or used for that purpose.”

The application is to be completed by the Retail Dealer (individual or business entity that owns the motor fuel at the time it is sold from the service station, filling station, store, garage or other place of business for the sale of motor fuel (hereafter referred to as “retail outlet”). For the purpose of administration, the following ownership definitions are utilized to determine the individual or business entity responsible for retail outlet licensing and compliance with the Office of Retail Gasoline Sales Law and Promulgated Regulations:

- **Company Owned:** the wholesale seller of the motor fuel sold to the retail outlet for retail sale is also the owner and/or operator of that retail outlet, and owner of the motor fuel at the time tax is imposed ("at the drop", when fuel is delivered into the storage tanks housed at the retail outlet). The company is responsible for licensing and retail compliance. NOTE: Title 6 Delaware Code, Chapter 29, Section 2905, states that “no manufacturer of petroleum products shall open a major brand, secondary brand or unbranded retail gasoline outlet or service station in the State, that would be operated by company personnel, a subsidiary company, or a commissioned agent.”
- **Consignment:** an individual, individuals or a business entity (consignor) pays a commission to the owner and/or operator of a retail outlet (consignee) for the quantities of the consignor’s motor fuel sold through the consignee’s retail outlet. The consignor, who owns the fuel, is responsible for licensing and retail compliance. A manufacturer of petroleum products also cannot act as a consignor, based on Title 6 Delaware Code, Chapter 29, Section 2905 (stated in the previous paragraph of this document).
- **Independent Dealer:** an individual, individuals or a business entity who is the owner/operator of the retail outlet, and who purchases motor fuel outright from its motor fuel supplier. The Independent Dealer is responsible for licensing and retail compliance.

To obtain a Delaware Retail Motor Fuel Dealer license, the following steps are required:

1. Complete & sign the Delaware Retail Motor Fuel Dealer License Application.
2. Please enclose with the completed license application a check for \$5.00 made payable to the Delaware Motor Fuel Tax Administration. This is a non refundable license application fee.
3. Please note that if the application is incomplete, and/or the \$5.00 check is not enclosed, the application will be returned. Please mail the application and check to the following address: Delaware Department of Transportation, Motor Fuel Tax Administration, P. O. Drawer E, Dover, DE 19903. All applications will be processed within 10 business days from the date of receipt upon the timely submission of all required documentation. If there are additional questions regarding the application process, please contact the Motor Fuel Tax Administration at (302) 744-2710.

APPLICATION FOR DELAWARE RETAIL MOTOR FUEL DEALER LICENSE (CONTINUED)

PLEASE NOTE: After a Retail Dealer license is issued, the retailer **must** notify the Office of Retail Gasoline Sales if the licensed retail outlet is sold, transferred or closed during the period of licensure.

Title 30 Delaware Code, Chapter 51, Subchapter I, Section 5124 states:

- (a) Whenever a person ceases to engage in business as a distributor or retailer within this State by reason of the discontinuance sale or transfer of the business of such distributor or retailer, the distributor or retailer shall notify the Department of Transportation in writing at least 10 days prior to the time the discontinuance, sale or transfer takes effect. Such notice shall give the date of discontinuance and, in the event of a sale or transfer of the business, the date thereof and the name and address of the purchaser or transferee thereof. All taxes, penalties and interest under this chapter not yet due and payable under the provisions of this chapter shall, notwithstanding such provisions, become due and payable concurrently with the discontinuance, sale or transfer, and the distributor or retailer shall concurrently with such discontinuance, sale or transfer make a report and pay all such taxes, interest and penalties, and surrender to the Department the license theretofore issued to the distributor or retailer by the Department.
- (b) Unless the notice provided for in subsection (a) of this section shall have been given to the Department of Transportation, the purchaser or transferee shall be liable to this State for the amount of all taxes, penalties and interest under this chapter, accrued against any such distributor or retailer so selling or transferring a business, on the date of such sale or transfer, but only to the extent of the value of the property and business thereby acquired from such distributor or retailer.
- (c) Whoever violates this section shall be fined not less than \$50 nor more than \$300 and the costs of the prosecution, or imprisoned not more than 1 year, or both.

If there are additional questions regarding the sale, transfer, or closure of a retail outlet, please contact the Motor Fuel Tax Administration at (302) 744-2710.